
Barilla Danmark A/S

Annual Report 2015

Amaliegade 10
1256 København

CVR-nr. 62 87 41 12

**The Annual Report was presented and
adopted at the Annual General
Meeting of the Company on 28/04/2016**

Cristiano Alocci
Chairman



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Management's Statement

The Executive Board and board of Directors have today considered and adopted the Annual Report of Barilla Danmark A/S for the financial year 1 January to 31 December 2015.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January – 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and its financial position.

We recommend the Annual Report for adoption at the Annual General Meeting.

Copenhagen, 13 April 2016

Executive Manager



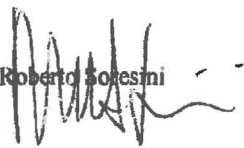
Karin Dahlström

Board of Directors

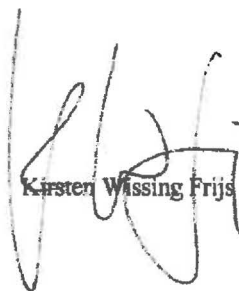
Cristiano Alocci
Chairman



Roberto Soresini



Kirsten Wissing Frijs



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Independent auditor's report

To the shareholder of Barilla A/S

Independent auditor's report on the financial statements

We have audited the financial statements of Barilla A/S for the financial year 1 January – 31 December 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's activities for the financial year 1 January – 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

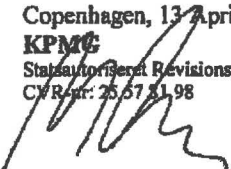
In accordance with the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 13 April 2016

KPMG

Statautoriseret Revisionspartnerselskab

CVR nr: 25 57 51 98



Martin Eiler
State Authorised
Public Accountant

Company Information

The Company

Barilla Danmark A/S
Amaliegade 10
1256 København

Phone: +45 44 91 96 00

Fax: +45 44 91 38 49

Internet: www.barilla.dk

Central Business Registration No: 62 87 41 12

Financial period: 1 January – 31 December

Registered in: Copenhagen

Board of Directors

Cristiano Alocci, Chairman
Roberto Soresini
Kristen Wissing Frijs

Executive Manager

Karin Dahlström

Company auditors

KPMG Statsautoriseret
Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø

Lawyers

Mazanti-Andersen Korsø Jensen
Advokatpartnerselskab
Amaliegade 10
1256 København

Banker

Handelsbanken
Amaliegade 3
DK-1256 København K

Consolidated Financial Statement

The Company's Parent Company is Barilla Sverige AB, Stockholm, Sweden. The Company's ultimate Parent Company, which prepares consolidated financial statements into which the Company is incorporated as a subsidiary is Barilla Holding S.p.A.

The Group Annual Report may be obtained at the following address:

Barilla Holding Società per Azioni, Via Mantova 166, 43122 Parma, Italy

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Review

Primary activities

The Company sells crisp bread, pasta and other related products.

Development

The income statement of the Company for 2015 shows a loss of DKK 503.851, and at 31 December 2015 the balance sheet of the Company shows Equity of DKK 1.532.214.

New competitors (mainly Private Label) arose during 2015 in the Crispbread market and Barilla Denmark was not able to keep its market shares; on the other hand, through the re-launch of the Meal Solution, Barilla Denmark has been able to keep its total volume above last year. Notwithstanding the volumes, the total Net sales decreased due to a negative product mix drove by the substitution of Bakery with Meal Solution products; Bakery isolated yet slightly below last year results. As mentioned above, the re-introduction of Pasta and Sauces in the retail channel has had a positive outcome, although further work has to be done to secure distribution and basis for expansion in the years to come.

Due to the business situation as described above and steps made for future business development, the Management assesses that the assumption for preparing the Financial Statements on a going concern basis has been met.

Expectation for the upcoming year

For 2016, sales trends should have a slightly positive outlook. Crispbread is still under Private Label threat, but sales are recovering, and Meal Solution Retail should still provide support for a positive outlook.

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Income statement for 2015

	<u>Notes</u>	<u>DKK 2015</u>	<u>DKK 2014</u>
Net sales		112.847.306	114.905.500
Cost of sales		<u>(77.719.305)</u>	<u>(78.775.485)</u>
Gross profit		35.128.001	36.130.015
Distribution and selling expenses		(16.447.892)	(17.734.691)
Marketing expenses		(17.752.630)	(14.226.658)
Administration costs		(1.478.523)	(1.464.627)
Other operating income/expense		<u>190.693</u>	<u>(945.809)</u>
Operating profit/(loss)		(360.352)	1.758.231
Financial expenses	1	<u>(143.499)</u>	<u>(121.745)</u>
Net result before taxes		(503.851)	1.636.486
Income tax of the year	2	0	0
		<u>(503.851)</u>	<u>1.636.486</u>
Allocation of profit/(loss) of the year			
Proposed allocation of profit/(loss) of the year			
Proposed dividend for the year		0	0
Transfer to Retained earnings		<u>(503.851)</u>	<u>1.636.486</u>

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Balance sheet as at 31.12.2015

Assets

	<u>Notes</u>	<u>DKK 2015</u>	<u>DKK 2014</u>
Trade receivables		29.812.654	26.968.605
Total receivables		29.812.654	26.968.605
Cash and cash equivalents		13.951.384	18.347.286
Current assets		43.764.038	45.315.891
Total assets		43.764.038	45.315.891

Liabilities and equity

Share capital		500.000	500.000
Retained earnings		1.032.214	1.536.065
Total equity	3	1.532.214	2.036.065
Trade payables		7.683.106	5.906.320
Payables to group companies	4	26.504.044	30.481.894
Other payables		8.044.674	6.891.612
Short-term liabilities		42.231.824	43.279.826
Liabilities and provisions		42.231.824	43.279.826
Liabilities and equity		43.764.038	45.315.891

Notes to the Annual Report

1. Financial expenses

	DKK 2015	DKK 2014
Interest paid to group enterprises	(95.513)	(147.693)
Other financial expenses	(3.893)	(5.006)
Exchange rate loss	(44.093)	(3.816)
	<u>(143.499)</u>	<u>(156.515)</u>

2. Tax on profit/loss for the year

The taxation charge in the income statement that would arise at the standard rate of DK corporation tax is reconciled to the actual tax charge as follows:

	DKK 2015	DKK 2014
Tax calculated on earnings before tax	-118.405	400.939
Non-deductible costs and non-taxable income	6.132	8.499
Effect from change in tax rate	7.166	-25.068
Non-capitalized deferred taxes	105.107	-384.370
	<u>0</u>	<u>0</u>

Unrecognised deferred tax assets amount to DKK 2.691.368. The basis for the unrecognised deferred tax assets includes tax losses of DKK 12.215.587.

3. Equity

2015

	Share capital	Retained earnings	TOTAL
Equity as at January 1	500.000	1.536.065	2.036.065
Net profit/loss for the year	0	(503.851)	(503.851)
Equity as at December 31	500.000	1.032.214	1.532.214

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Ownership

The share capital consists of 18 shares of a nominal value of DKK 500 or any multiple herof. No shares carry any special rights. There have been no changes in the share capital during the last 5 years.

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the shares capital.

Barilla Sverige AB, Stockholm, Sverige/Sweden

4. Related parties

The company's related parties are other entities that are members of the same Group. Transactions with related parties were carried out under arm's length conditions.

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Accounting policies

Basis of Preparation

The Annual Report of Barilla Danmark A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Recognition and measurement

Revenue is recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognized. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognized in financial income and expenses in the income statement.

Accounting policies

Income statement

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when delivery and transfer of risk has been made before year end.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Distribution and selling costs

Distribution and selling costs comprise costs incurred to distribute goods sold during the year and other selling expenses, including costs relating to sales staff.

Marketing costs

Marketing costs comprise costs incurred to conduct sales campaigns, advertising and exhibitions.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration of the Company, including expenses for administrative staff, management, office premises, office expenses and depreciation.

Other operating income/costs

Other operating income/costs comprise items secondary to the activities of the entities.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consist of current tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity. Taxable income is assessed according to the national rules and regulations. Deferred tax is not recognized in balance sheet and therefore no adjustment in deferred taxes recognized in income statement.

Balance Sheet**Receivables**

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Equity**Dividend**

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.